

**GOVERNMENT OF INDIA
HEALTH AND FAMILY WELFARE
LOK SABHA**

UNSTARRED QUESTION NO:1842
ANSWERED ON:07.03.2000
PRICE OF MEDICINES
VAIKO

Will the Minister of HEALTH AND FAMILY WELFARE be pleased to state:

- (a) whether the Government have studied the effect of GATT agreement in the pharmaceutical sector;
- (b) if so, the details thereof;
- (c) the likely effect on the patent based products;
- (d) whether prices of medicines have been increased by the Government in view of GATT agreement; and
- (e) if so, the steps taken by the Government to make available cheap medicine to the public?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF HEALTH AND FAMILY WELFARE (INDEPENDENT CHARGE) (SH SHANMUGAM)

(a) to (e) The GATT Act is a part of WTO, which inter alia, includes many other agreements. One of the agreements in the TRIPS Agreement and one part of the TRIPS pertains to patents. India today does not provide product patents on pharmaceuticals. With the coming into effect of the TRIPS Agreement, India will have to provide patents, both on products and processes, in the pharmaceutical sector. However, as India has opted for the transitional provisions under the TRIPS Agreement, the enforcement of the provisions of TRIPS pertaining to product patent would be effective only with effect from 1st January, 2005. Presently the process patent continues and no study has been conducted yet by the Government on the likely effect of the product patent in the pharmaceutical sector. WTO agreements do not oblige India or any other member country to increase prices of medicines. It may further be mentioned that drug prices control is compatible with WTO and TRIPS agreement and hence the Government will still have the right to have a system of controlling prices of medicines, even after the TRIPS Agreement comes into force.